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(U) CHINA: POSSIBLE RENEWED USSR MAJOR PROJECT ASSISTANCE INCLUDING RENOVATION OF 1950s SOVIET-BUILT FACTORIES

Summary

As part of the expanding China-USSR economic relationship, the two sides reportedly are considering Soviet assistance in renovating as many as 17 factories--probably from among those built with Soviet assistance during the 1950s--and constructing as many as seven new projects. Among the latter would be a metallurgical project, an open-pit coal mine in northeast China, and three thermal electric generating plants. Discussions have included references to nuclear-powered electric generation. Preliminary Soviet technical assistance reportedly already has been extended on an open-pit coal mine in northeast China. If these projects get underway, they would represent the first Soviet project assistance to China since the Soviets withdrew their advisers in summer 1960 in the wake of worsening relations.

The possibility that the Soviets might help renovate some of the original projects raises questions about where the Soviet-built facilities are located and in what economic sectors. No list of the original projects is available, as far as can be determined, and Chinese and Soviet sources conflict. A list of more than 100 factories, either known or believed to be among the 156 projects constructed during the 1950s, has been compiled based on information from a variety of sources (see appended tables).

* * * * *

The Original 156

The Soviet Government in 1953 pledged to aid in the construction or reconstruction of 141 major

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enterprises, including 50 items agreed to between 1949 and 1952. The number of projects was increased to 156 in October 1954. The Soviet-built or reconstructed plants constituted the backbone of Chinese industry.

Increases in Pledged Projects

Over the next few years the number of projects was readjusted several times. By late 1957, the parties had agreed on 211 items of cooperation. In August 1958, Moscow pledged support for another 47 items. With the new agreement for the extension of Soviet assistance in February 1959, the USSR agreed to help China construct 78 additional giant industrial facilities, raising the total number of pledged projects to 291 for the 1949-67 period.

The nature of Soviet aid was more comprehensive and systematic for the 156 plants of the 1949-59 period, and many of the additional facilities were left uncompleted when the Soviets pulled out their advisers and removed their blueprints in 1960. Consequently, the appended tables count only those plants known or thought to be among the original 156.

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632-1343

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(LOU) Table 1

Factories Possibly Among the 156 Soviet-Built Plants,
1949-59, by Sector

<u>Number</u>	<u>Sector/Plant</u>	<u>Number of Soviet Technicians Sent to the Plant</u>	<u>Number of Chinese From the Plant Sent to the USSR To Train</u>
7	Iron and Steel		
	Anshan (Liaoning)	300+	na
	Wuhan (Hubei)	100+	na
	Maanshan (Anhui)	40	na
	Baotou (Inner Mongolia)	na	na
	Shijingshan (Beijing)	na	na
14	Nonferrous metallurgy		
	Gejiu (Yunnan) tin	100	na
	Anyang (Henan) tungsten	na	na
	Fushun (Liaoning) aluminum	na	na
	Harbin (Heilongjiang)	na	na
	rolled aluminum		
	Shenyang (Liaoning) smeltery*	--	--
	Xiangtan (Hunan) manganese*	--	--
	Xiguangshan (Hunan) antimony*	--	--
	Baiyinchang (Gansu) copper*	--	--
	Dadun (Yunnan) tin*	--	--
	Dongguan (Anhui) copper*	--	--
	Dabaoshan (Sichuan) copper*	--	--
	Shouwangfen (Rehe) copper*	--	--
24	Electric power stations		
	Fengman (Jilin) (hydro) (1)	40-45	na
	Harbin (thermal)	na	22
	Fuxun No. 2*	--	--
	Fuxin* (Liaoning)	--	--
	Dalian No. 2*	--	--
	Baotou*	--	--
	Tongzhou (Hebei)*	--	--
	Tianjin*	--	--
	Taiyuan* (Shanxi)	--	--
	Zhengzhou* (Henan)	--	--
	Zhuzhou* (Hebei)	--	--
	Daye* (Hubei)	--	--
	Xian* (Shaanxi)	--	--
	Pihua (Xinjiang)*	--	--
	Lanzhou* (Gansu)	--	--

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... Table 1. (cont'd) ...

<u>Number</u>	<u>Sector/Plant</u>	<u>Number of Soviet Technicians Sent to the Plant</u>	<u>Number of Chinese From the Plant Sent to the USSR To Train</u>
63	Machinery		
	Of which: civilian - about 32, including:		
4	Machine tools		
	Shenyang No. 1	40+	16
	Wuhan heavy machine tool	22	83
	Shanghai machine tool	100	na
	Qiqihar No. 1 (Heilongjiang)	na	na
1	Tools		
	Harbin measuring and cutting tool	na	na
3	Heavy machinery		
	Taiyuan heavy machinery	na	na
	Fulaerji (?) heavy machinery	na	na
	Luoyang (Henan) mining machinery #	na	na
2	Ball bearings		
	Luoyang #	na	na
	Harbin	na	na
4	Radio and electronics		
	Southwest radio appliance	na	na
	Chengdu (Sichuan) radio	na	na
	Beijing electronic tube	200	na
	Beijing wired communication equipment	na	na
1	Automobiles		
	Changchun (Jilin)	several hundred	500
1	Tractor		
	Luoyang #	hundreds	173
4	Power equipment		
	Harbin steam turbine	na	na

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Table 1 (cont'd)

<u>Number</u>	<u>Sector/Plant</u>	<u>Number of Soviet Technicians Sent to the Plant</u>	<u>Number of Chinese From the Plant Sent to the USSR To Train</u>
	Power equipment (cont'd)		
	Harbin boiler	na	na
	Wuhan boiler	na	na
	Harbin power equipment	@30	na
6	Electrical machinery		
	Harbin electric meter and instruments	na	na
	Shenyang cable and wireless	29	na
	Shenyang transformer	@30	na
	Xian switch and rectifier	na	na
	Xian voltage equipment	na	na
	Xian high-voltage ceramics	na	na
2	Petroleum and chemical equipment		
	Lanzhou petroleum equipment	na	na
	Lanzhou petroleum and chemical equipment	na	na
2	Shipbuilding		
	Wuchang (Hubei)	na	na
	Dalian	na	na
1	Textile machinery		
	Tuzu Jingwei (?) textile machinery	na	na
1	General machinery		
	Shenyang pneumatic tool	na	na
Of which: military - about 31, possibly including plants in:			
	Harbin	--	--
	Changchun	--	--
	Shenyang	--	--
	Luda (Dalian)	--	--
	heilongjiang	--	--
	Taiyuan	--	--
	Taiyuan aeronautical plant	--	--

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... Table 1. (cont'd)

<u>Number</u>	<u>Sector/Plant</u>	<u>Number of Soviet Technicians Sent to the Plant</u>	<u>Number of Chinese From the Plant Sent to the USSR To Train</u>
	Military (cont'd)		
	Jinyuan (Shanxi) chemical ordnance plant	--	--
	Hanyang (Hubei)	--	--
	Chenqi (Hunan)	--	--
	Nanjing (Jiangsu)	--	--
	Shuimokou (Xinjiang)	--	--
	Chongqing (Sichuan)	--	--
	Chengdu	--	--
27	Coalmining		
	Huainan (Anhui)	70	na
	Haizhou mine, Fuxin	na	na
	Jiamusi (Heilongjiang)	na	na
	Fengfeng (Hebei)	na	na
	Xian	na	na
	Jixi (Heilongjiang)	na	na
	Fuxun	na	na
	Dongshan, Hekang (Heilongjiang)	na	na
	Zhongyang, Liaoyuan (Jilin)	na	na
	Fuxin*	--	--
	Tunghua* (Jilin)	--	--
	Kailan* (Henan?)	--	--
	Datong* (Shanxi)	--	--
	Jiaozuo (Henan)*	--	--
	Tongjeng (Shaanxi)*	--	--
2	Petroleum		
	Xinjiang oil fields	500	na
	Lanzhou refinery	90	130
5	Chemicals		
	Carbide plant (Jilin)	@35	na
	Dye plant (Jilin)	@35	na
	Ammonia plant (Jilin)	@35	na
	Nitrogen fertilizer (Taiyuan)	na	na
	Nitrogen fertilizer (Jilin)	na	na
2	Drugs and pharmaceuticals		

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Table 1 (cont'd)

<u>Number</u>	<u>Sector/Plant</u>	<u>Number of Soviet Technicians Sent to the Plant</u>	<u>Number of Chinese From the Plant Sent to the USSR To Train</u>
1	Paper Jiamusi paper mill	na	na
1	Textiles Harbin flax mill*	--	--
1	Water conservation Sanmenxia dam (Yangzi)	--	--
1	State farms Friendship farm, Heilongjiang	54	na
5	Transportation and Communications Changchun railway network	1,500	na
	Yangzi bridge at Wuhan	24	na
3	Other Baoding (Hebei) photographic film plant (Czechoslovak assistance)	na	na
	Lanzhou synthetic rubber*	--	--
156	Total 64 identified 43 possible 49 unidentified		

Notes: * Indicates that the plant was possibly among the 156.
The three Luoyang plants were part of one complex.

Sources: Cheng Chu-yuan, Economic Relations Between Peking and Moscow, 1949-63. New York: Praeger, 1964, p. 28; Cheng Chu-yuan, The Machine Building Industry in Communist China. Chicago: Aldine Press, 1971; Wu Yuan-li, An Economic Survey of Communist China. New York: Bookman Associates, 1956; First Five-Year Plan for Development of the National Economy of the People's Republic of China, 1953-57. Peking Foreign Languages Press: 1956.

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(U) Table 2

Percentage of Equipment and Machinery
Supplied by Soviets, 1949-59

	<u>Percent</u>
Machine tool lathes	78
Deisel machinery	91
Boring machinery	85
Automobiles	92
Locomotives	100
Instruments	75
Petroleum equipment	97
Ferrous metal machinery	57

Source: Cheng, Economic Relations, p. 30. Note: The source does not make clear exactly what these percentages represent. Presumably they are the percentage of Chinese imports provided by the USSR.